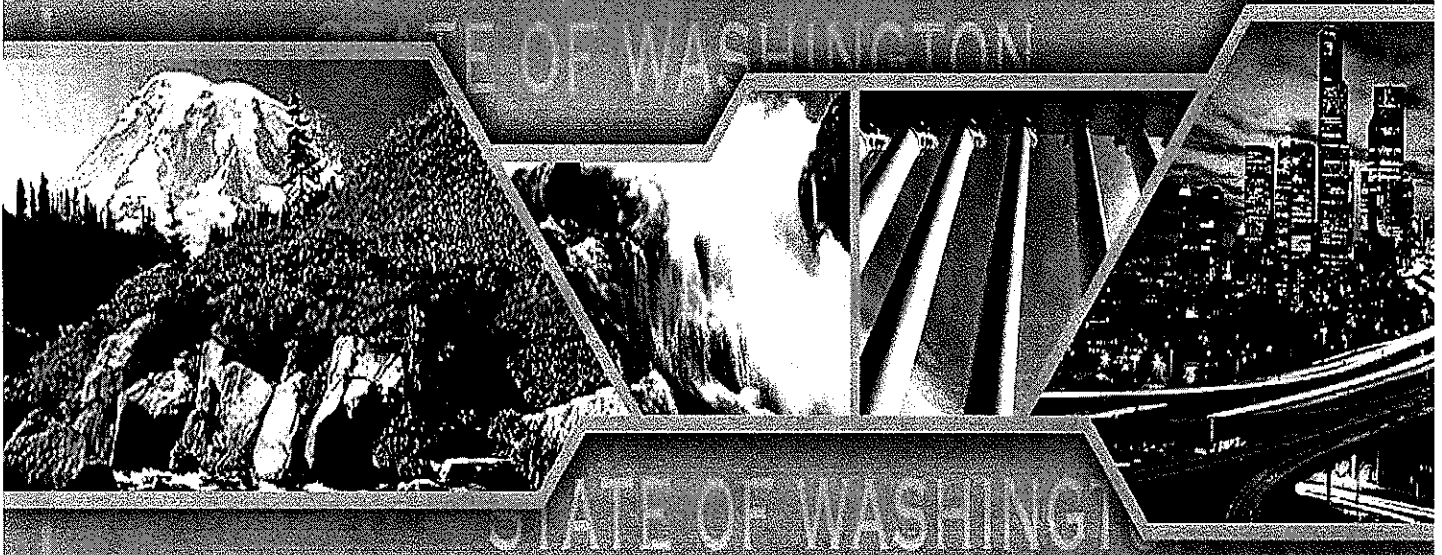


Roadmap for Washington State Financial and Administrative Policies, Processes and Systems

**Program Charter
August 2004**



Introduction

This document is the Program Charter for the Washington State Financial and Administrative Policies, Processes and Systems Roadmap Project ("*Roadmap*"). The *Roadmap* is sponsored by the directors of the Department of Personnel, General Administration, Information Services and the Office of Financial Management. The Program Charter is a living document and is subject to change.

The charter structure aligns authority and accountability for developing and implementing the *Roadmap*. The *Roadmap* charter addendum outlines roles and responsibilities.

The Roadmap

In today's business environment, many of Washington State's existing core financial and administrative business systems no longer meet the increasingly complex needs of state agencies. A review of these systems will require analysis of associated policies and processes. Consequently, a group of State government executives are working collectively to identify common business needs and opportunities. Their effort is entitled *The Roadmap for Washington State Financial and Administrative Policies, Processes and Systems (Roadmap)*.

Through the *Roadmap* these executives intend to create a comprehensive plan to meet demands for better information, improved management systems and streamlined business processes and policies. This project will be conducted in two phases. Phase I, the Evaluation and Planning Process, will start with a focus on identifying and prioritizing common business problems and opportunities before determining solutions. This phase will also validate strategic direction, assess technical architecture, develop funding options, and complete a feasibility study and plan for implementation. Phase II, the Implementation of the *Roadmap*, will begin no sooner than July 2006.

The *Roadmap* builds on the work begun in the Information Architecture "Blueprint" project, the work of the **Enterprise Strategies Committee**, the **Statewide Information Coordination Consortium**, and the **HR / Financial Benchmarking** studies. In addition, the 2005-07 **Priorities of Government** process includes the *Roadmap* as an initiative that "...addresses both short-term and long-term implementation plans and funding needs for a new statewide financial system, that along with the new Human Resources Management System, improves statewide core financial and administrative processes."

Benefits expected for Phase I (Evaluation and Planning):

- Provides a collaborative environment for identifying both problems and opportunities
- Provides a mechanism to enable agencies to move together in a common, leveraged direction, accommodating both urgent and long term needs
- Focuses on benefits to both individual agencies and the State
- Provides a repeatable process for validating, prioritizing, scoping, planning and delivery of each phase of the work
- Demonstrates leadership of central service agencies in achieving efficiency across core financial and administrative business processes
- Enables lessons learned from the HRMS project to be incorporated into the planning and implementation of statewide Financial and Administrative systems

- Provides an opportunity to review and recommend removal of outdated or unnecessary administrative policies and regulations

Overall business goals:

- Streamlined financial and administrative business processes to support more efficient delivery of services to Washington State citizens and agencies including removal of outdated or unnecessary administrative policies and rules
- Leverage the State's investments in systems and data to reduce costs and achieve economies of scale
- Improved core management systems to align with performance management directions, provide valuable management information, and assure accountability

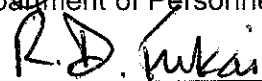
The *Roadmap* continues the strategic direction and momentum of the Personnel System Reform Act of 2002 implemented through Washington Works, and will impact nearly every state agency and administrative business process. Key end-to-end business cycles included in the scope of the *Roadmap* include:

- Management Reporting and General Ledger (Core Accountability Accounting)
- Procure-to-Pay Cycle
- Cost Accounting Cycle
- Revenue Cycle
- Performance Management and Budgeting Cycle
- Asset Management Cycle

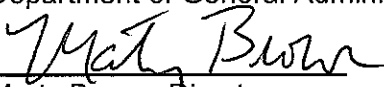
We agree that this charter reflects our common vision and goals for the *Roadmap for Washington State Financial and Administrative Policies, Processes and Systems*. Furthermore, it represents those factors we believe to be critical to the success of this effort and the roles and responsibilities of the various entities that are instrumental to the success of this program and its supporting projects.


Gene Matt, Director
Department of Personnel

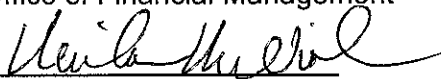
8/24/04
Date


Rob Fukai, Director
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8/23/04
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Department of Information Services

8/19/04
Date

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Introduction and Guiding Principles

The purpose of the program charter addendum is to describe the scope of the *Roadmap*, critical success factors, supporting projects, governance structure, and roles and responsibilities.

The guiding principles for the *Roadmap* include:

- Common, core financial and administrative processes, data, and systems
- Ongoing, incremental business improvement program approach
- Do no harm to HRMS project
- Agency participation in project planning and direction setting

Program Scope

The chart below shows individual State of Washington financial and administrative functions grouped into end-to-end business processes such as Procure-to-Pay, the Cost Accounting Cycle, etc. We've learned that when agencies work together to improve an end-to-end process, the value proposition is much greater than when a single agency tries to improve a single function within its own "silo" of responsibility.

The scope of the *Roadmap* includes all core end-to-end business processes, except the Hire-to-Retire Cycle, which is addressed by *Washington Works*. Individual agencies may have unique financial and administrative processes that are not part of the core enterprise business processes that will be treated as extensions to the *Roadmap* but are not dealt with directly in this charter.

The chart also shows the Central Service Agencies (OFM, DOP, GA, OST, DIS) with statutory responsibility for component parts of the core end-to-end business processes. The X's in the chart below demonstrate that no single central service agency has complete responsibility for any of the end-to-end business processes. Therefore, central service agencies must work closely together to plan and implement a shared vision of financial and administrative service delivery for the enterprise (The *Roadmap*). The overall objective of the *Roadmap* Project is to identify either opportunities or statewide solutions to common business problems that will improve agency accountability, transparency, and accessibility of financial and administrative operations in the State. Solutions to address the various end-to-end business processes will be prioritized and implemented incrementally over the timeframe of the *Roadmap* (six to ten years).

| Core end-to-end business processes | | Central Service Agencies with statutory responsibilities in business processes | | | | |
|---------------------------------------|--|---|-----|----|-----|-----|
| | | OFM | DOP | GA | OST | DIS |
| (R/GL) | Mgmt. Reporting/GL (R/GL) (Accr. Coding, Risk Mgmt., Bus. Intelligence, Performance Reporting) | X | X | X | | |
| (R/GL) | Procure to Pay (Bids, Contracts, Inventory, O/L, A/P, Warrants) | X | | X | X | X |
| (R/GL) | Cost Accounting Cycle (Labor Dist., Cos. Allocation, Projects, Grants) | X | X | | | |
| (R/GL) | Revenue Cycle (WVR, Cash receipts, Cash management) | X | | | X | |
| (R/GL) | Perf. Mgmt. & Budget Cycle (Salary, Prof., Deduction Packages, Allocations, Performance Management) | X | X | | | |
| (R/GL) | Asset Mgmt Cycle (Storage, Dispose, Inventory) | X | | X | | |
| (R/GL) | Hire to Retire Cycle (Human Resources, Payroll, Benefits) | X | X | | X | |

R/GL = Reporting/General Ledger

The following subject areas or components will be addressed within the scope of the *Roadmap*:

- Governance Model – this charter provides the basis for ongoing governance of the planning and implementation of the *Roadmap*
- Solution Development – provide a process for validating, prioritizing, scoping, planning and delivery of solutions
- Program Management – planning and program management provided by dedicated staff will be needed to support *Roadmap* activities and the governance structure
- Technical Architecture – a building block approach to an application and technology architecture that will facilitate solutions to common business problems
- People and Training – an approach to coordinate efforts for incrementally staffing and supporting *Roadmap* activities
- Communications and Change Management – a communications plan for external and internal stakeholders and a change management strategy to help agencies and individuals adopt and implement the *Roadmap*
- Business Process Modeling (BPM) – a repeatable process to evaluate and prioritize business opportunities, define requirements and analyze gaps, and

complete best practice proof-of-concept trials utilizing an in-house learning environment. This hands-on approach will facilitate agreement on common business processes across agencies

- Funding Mechanism – an equitable funding model that assures sustainability is a vital component of the *Roadmap*

What's In It for the Public?

Changes to financial and administrative policies, processes and systems will provide the public and its elected representatives timely visibility and a more efficient, effective and accountable state government by providing benefits such as:

- Greater transparency in state finances
- Better and more timely information for use in developing and assessing state policies
- Greater ability for state government to respond more quickly and flexibly to changing business needs and service demands
- Demonstrated accountability for state assets
- More efficient operation of the state's financial and administrative systems

The state's current financial and administrative policies, processes and systems do not support data-driven decision making and can impose unnecessary restrictions on state managers and decision makers as they work to meet program and constituent needs. These improvements will support a high-performance government that provides more value to the public, its representatives, and its employees.

What's In It for State Program Managers and Administrators?

The limitations in the state's existing financial and administrative systems, and some of the associated policies and processes are becoming a barrier to modern accounting, budget, procurement, and reporting needs. Reforming these systems means:

- Better control over program financial performance
- Better accountability for assets
- Consistent, easy-to-use procurement processes
- Reducing complexity and improving efficiency of the state's "back office" systems
- Removing outdated or unnecessary administrative policies and rules
- Flexibility and speed in responding to new or changing business needs
- Better choices for providing efficient, flexible levels of service

State financial and administrative employees will have better information and tools available to support their job assignments. They will get:

- Faster, more reliable business processes and information to support their job responsibilities
- A consistent set of policies and tools across state government

Last but not least: providing a more efficient, effective and accountable state government can engender greater public trust and support for the many important programs state government employees provide the public.

Critical Success Factors

The *Roadmap* continues the change to the state internal operating processes and systems introduced by the Personnel Service Reform Act and will impact nearly every state agency. Factors critical to the success of the *Roadmap* include:

Phase I (Evaluation and Planning):

- Strong, executive leadership, commitment and support
- Common business drivers and opportunities
- Must deal with agency urgent business needs
- An equitable funding mechanism must be developed
- Central Service Agencies have a common vision of the policy framework and service delivery solution, as well as a shared governance structure
- Agency participation in development of the action plan/*roadmap*
- Core end-to-end business processes must be driven by Central Service agencies
- Efficient and effective process for scoping and modeling of common business processes
- Integration of the Financial and Administrative System *roadmap* lifecycle with the State budgeting cycle
- Successful implementation of Human Resource Management System (HRMS)
- Clear communication with project stakeholders
- Maintenance of project priority across administrations

Phase II (Implementation):

- Strong, sustained executive leadership, commitment and support
- Enduring governance model that provides continuity over the long timeframe of the *Roadmap*
- Effective long-term support model

- Forward looking technology architecture that will remain relevant during and beyond the *Roadmap*
- Flexibility and collaboration across agencies in prioritizing implementation phases
- Agencies understand and use a consistent approach, methodology, and a common program terminology
- Effective and coordinated communication with agencies, state employees and other stakeholders
- Improve timeliness, accuracy, and availability of data
- Improve morale and productivity of human resource professionals by reducing time spent on transactional activities
- Maximize resources, eliminate manual processes, support employee and manager self-service, support e-government
- A framework that accommodates different, unique, industry-specific front ends in a modular design

Supporting Projects

Past or Recently Completed Projects:

- The Information Architecture Blueprint (1999)
- The work of the Enterprise Strategies Committee (2002-2003)
- The Human Resource Baseline Assessment and Benchmark Project (2003)
- The Financial Baseline Assessment and Benchmark Project (2004)

Current Projects:

HRMS Vision and Goals

Vision: Enable and support effective human resource management, labor relations and competitive contracting.

Goals:

- Continue timely and accurate payroll
- Support implementation of civil service reform and collective bargaining
- Provide management information required for effective negotiations
- Improve information for legislative decisions
- Provide flexibility to implement legal and business improvements
- Follow planned and reasonable risk management approach to implementation
- Consolidation of human resource systems; stem proliferation of separate systems in state agencies

- Protect against liability, such as allegations of discriminatory practices, by supplying information that can demonstrate an “even handed” approach
- Improve timeliness, accuracy, and availability of data
- Improve morale and productivity of human resource professionals by reducing time spent on transactional activities
- Maximize resources, eliminate manual processes, support employee and manager self-service, support e-government
- Support competitive contracting by providing better information on labor costs associated with services
- Supports human resource practices designed to attract, motivate retain and reward a competitive workforce

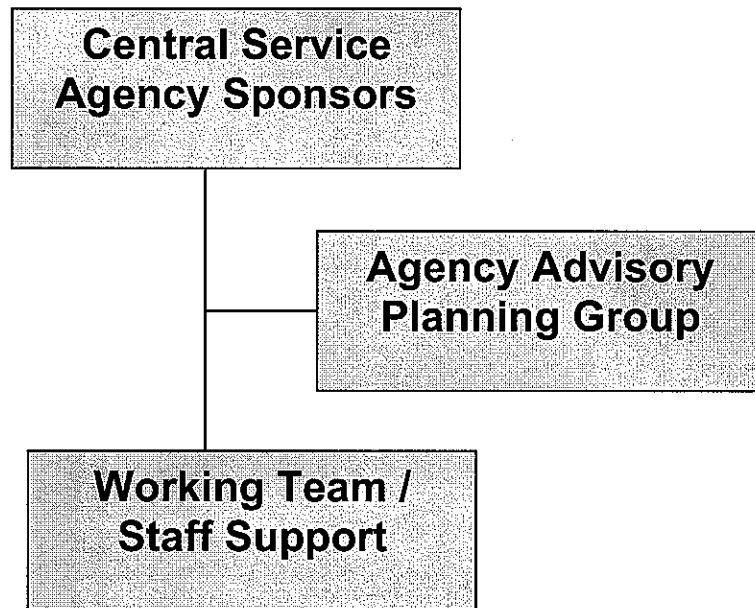
Statewide Information Coordination Consortium

Vision: The Statewide Information Coordination Consortium is a resource that helps state and local governments collaboratively transform data into relevant and seamless statewide information.

The Consortium promotes:

- Removing Barriers - identify and resolve barriers to information coordination
- Comparing Apples - promote collection of comparable state and local data
- Seamless Views - facilitate views of statewide government services
- Accessibility - provide easy access to information that supports analysis and decision making
- Tools - provide guidelines, tools, and model frameworks that aid information coordination efforts
- Building on Lessons Learned – share coordination best practices and leverage resources

Governance Structure



Roles and Responsibilities

Participants in the *Roadmap* Project

Membership in the project includes:

- Central service agencies, including DOP, OFM, GA, DIS, and OST
- An advisory committee, representing the interests of all agencies

Central Service Agency *Roadmap* Sponsors

(OFM Director / DOP Director / GA Director / DIS Director)

Roles

- Core financial and administrative business owners, leaders and champions for success
- *Roadmap* decision-making
- Manage external stakeholders
- Acquire resources
- Manage risks and remove obstacles
- Quality assurance

Responsibilities

- Ensure *Roadmap* commitment across administrations
- Solicit and address issues arising from agencies
- Achieve *Roadmap* success
- Articulate the overall vision, goals, approach and philosophy
- On-going commitment of time, effort and attention to lead the *Roadmap* initiatives
- Escalate issues as necessary to the Chief of Staff, Governor and legislature
- Decide agency responsibilities for success
- Meet as needed to quickly resolve issues and make required decisions
- Effectively communicate status, issues and decisions with the Governor's Office, Cabinet, Information Services Board and the legislature
- Remove obstacles to project success
- Marshal resources as needed
- Ensure Quality Assurance recommendations are addressed

Agency Advisory Planning Group

(Planning group of 12-13 agencies, including both technical and business representatives)

Roles

- Own and protect the business vision of the financial and administrative business policies, processes, and systems
- Advisors to the Central Service Agency *Roadmap* Sponsors

Responsibilities

- Identify, validate, prioritize and scope common business problems and solutions
- Develop ideas and concepts of the *Roadmap*
- Determine statewide implications and benefits
- Review and approve work team deliverables with recommendations to sponsors
- Champions for the *Roadmap* within their own agencies
- Issue and risk managers
- Expectation managers
- Effectively communicate the overall *Roadmap* vision, goals, philosophy and approach to state agencies

Working Team / Staff Support

(State staff as assigned, others as needed)

Roles

- Provide staff support for Executive Sponsors and Advisory Planning Group
- Prepare analysis and deliverables
- Develop recommended solutions

Skills required

- Project coordination; issue and risk management; understanding of human resource, agency, budget and technology issues; organization and coordination
- Business and technical analytical ability
- Understanding of financial and administrative policies, processes and systems from both the central service agency and customer agency perspectives
- Communications strategy coordination and management
- Organizational change management strategy coordination and monitoring
- Project planning and tracking

Responsibilities

- Develop short-term action plan and *Roadmap* deliverables
- Develop agenda and facilitate Executive Sponsors and Advisory Planning meetings
- Prepare supporting analysis and materials for agenda items
- Develop and maintain integrated issue management system
- Recommend *Roadmap* implementation approach

- Develop and maintain integrated program/project plan
- Develop risk mitigation plans

Relationship to Existing Planning & Governance Groups

(The Roadmap activities must be coordinated with the following advisory and authorizing groups)

- Information Services Board (ISB)
- Deputy Directors Operations Committee (Washington Works)
- DIS Customer Advisory Board (CAB)
- Financial Managers Advisory Committee (FMAC)
- Purchasing Officers Group
- Assistant Directors for Administration and Management Services (ADAMS)
- Budget Officer Group
- Priorities of Government (POG)
- Statewide Information Coordination Consortium